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CASE NO. 276

In the Supreme Court of the United States

Office-Supreme Court, U.S.
FILED
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OCTOBER TERM, 1965

REED R. MAXFIELD and
JOHN R. CHRISTOPHER,
Petitioners,

vs.

UNITED STATES OF
AMERICA,
Respondent.

PETITION FOR A WRIT OF CERTIORARI
to the United States Court of Appeals
for the Tenth Circuit

APPENDIX C

RONALD C. BARKER
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Salt Lake City, Utah
Attorney for Petitioner John R. Christopher

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Attorneys for Petitioner Reed R. Maxfield

APPENDIX C

(The "deposition-confession" of Petitioner Christopher) is as follows:

"Room 1119 Newhouse Building, Salt Lake City, Utah, Tuesday, September 27, 1960.

Met, pursuant to notice, at ten o'clock a.m., before G. Gail Weggeland, Esquire, on behalf of the Securities and Exchange Commission.

Appearances: G. Gail Weggeland, Esquire, 1119 Newhouse Building, Salt Lake City, Utah appearing on behalf of the Securities and Exchange Commission; Ronald Barker, Esquire, Salt Lake City, Utah by: Norman Wade, Esquire, Salt Lake City, Utah, appearing on behalf of the witness John R. Christopher.

Proceedings:

MR. WEGGELAND: Let the record show that this is a hearing to take testimony convening at ten o'clock a.m. at 1119 Newhouse Building, Salt Lake City, Utah. Present pursuant to a subpoena is John Ray Christopher, who is accompanied by his attorney, Norman Wade.

MR. WADE: I would prefer to have the record show Norman Wade, appearing at the request of Ronald Barker, who represents Mr. Christopher.

MR. WEGGELAND: Mr. Barker is Mr. Christopher's attorney?

MR. WADE: Yes, Sir.

MR. WEGGELAND: Also present and appearing for the Trade and Exchange Division is G. Gail Weggeland, attorney of the Salt Lake City Branch Office.

Mr. Christopher, I want to inform you that we intend today at this hearing to question you concerning the activities of Western States Underwriters, Inc., Home Investment Company, Mid-America Securities Company, and their relationship to you and to other corporations and individuals.

You have the constitutional and the personal right, if you choose to exercise it, to refuse to answer such questions as you deem might incriminate or degrade you. You are welcome to consult with your attorney on any questions which may be propounded, before you answer.

Now, I assume that we can get under way here; is that correct?

MR. WADE: Yes.

MR. WEGGELAND: Will you state your name?

MR. CHRISTOPHER: John Ray Christopher.

MR. WEGGELAND: What is your age?

MR. CHRISTOPHER: Fifty.

MR. WEGGELAND: And your residence?

MR. CHRISTOPHER: 4290 Wander Lane, Salt Lake City.

MR. WEGGELAND: We will proceed now to swear you, if you will stand up.

Whereupon JOHN RAY CHRISTOPHER was called as a witness, and being first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. WEGGELAND:

Question: What is your business, Mr. Christopher? What activities are you engaged in?

Answer: At the present time?

Question: At the present time.

Answer: As a doctor, along natural lines, as a naturopath.

Question: As a medical practitioner?

Answer: No, I'm not an orthodox M.D. I am an M.H., ireodology, zone theraphy, and herbalist.

Question: Have you previously been involved in the sale of securities?

Answer: Yes, I have.

Question: What is your wife's name?

Answer: Wendella.

Question: Does she reside with you?

Answer: She resides with me at 4290 Wander Lane.

Question: Mr. Christopher, when did you first begin the sale of stock of Uinta National Insurance Company?

Answer: At the very beginning of their company. I am not sure as to whether it was in '57 or '58. It seems to me it was in '58, but I am not positive, but it is when the Uinta Finance Company started.

Question: You were engaged--you participated in the original offer of the shares of Uinta National Insurance Company, did you?

Answer: And Uinta Finance. We started out with Uinta Finance Company, and then we sold that out and went to the Uinta Finance of Arizona, and then to Uinta National Insurance.

Question: When you were selling the stock of Uinta National Insurance Company, were you employed--

Your Honor, these past tenses I added onto it.

--you were employed by the insurance company or by the finance company?

Answer: They are so closely related that I honestly don't know. I was working directly under Reed Maxfield, who is president of both companies. I know a number of checks came from Uinta Finance and a part of them from Uinta National. I don't

know which. You will have to pardon me. I am not being evasive about when I was paid by them, but I was hurt in an accident, and for the following year I had to have my name pinned inside of my coat and my phone number, and everything I did after that had to be written down. I haven't got all of my memory back yet, and there are things I cannot remember. When Guy comes in and Cliff, they can remember things I cannot even recall.

Question: As I understand, there were two offerings of Uinta National Insurance Company; one was the early incorporation or pre-incorporation offer, and one was a first offering as an organized insurance company; is that correct?

Answer: That I don't know. I know they had sold a little bit of stock before I came in, and they had two part-time salesmen at that time. But, I know that the board of directors and some other people did sell some stock. Now, whether that was pre-organization stock or part of the original, I don't know. I know there was on big block, and then another of Home Investment, or whatever it was. There was another amount, as I remember, and the last one.

Question: Well, now, in about January, 1959, an offering of Uinta National Insurance Company stock, which was being conducted by the insurance

company itself; is that correct?

Answer: That is, of its stock?

Question: Yes.

Answer: Yes.

Question: And who was in charge of that offering.? Who was supervising the sale of that stock?

Answer: I was sales manager.

Question: Of the stock?

Answer: Of the stock yes.

Question: And who were you working with in supervising the sales?

Answer: Reed Maxfield was the man that was telling me what to do and gave me instructions. All I did was take care of the men. I had a crew of men. I was the pusher, or whatever you want to call it.

Question: And thereafter some stock was sold by a company called Mid-America Securities Company; is that correct?

Answer: Yes.

Question: What was the purpose of changing the underwriting of it from Uinta Insurance Company to Mid-America Securities Company?

Answer: That was never called to my mind, Mr. Weggeland. By the way, I happened to find this in some of my papers.

(Witness produces letter and envelope.)

Question: I will take a look at this in a minute.

Answer: All right. That is in reference to Mid-America.

Question: Were you an officer of Mid-America Securities Company?

Answer: No, I wasn't.

Question: Did you ever agree to buy Mid-America Securities Company?

Answer: No, I didn't.

Question: Did you ever have any dealings with Norman Hays?

Answer: Just to talk to him.

Question: Concerning the purchase of stock of Mid-America?

Answer: We had some conversation. He was buying some stock, I was told, and I was buying some in Western States Underwriters.

Question: Were you informed that Mid-America Securities Company was a registered broker dealer under the Securities Act of 1934.

Answer: Yes.

Question: At any rate, did you occupy a position of direction or a position of authority in Mid-America Securities Company?

Answer: I was sales manager for them.

Question: And who was in charge of it at

that time?

Answer: I took my orders from Reed Maxfield, but his brother--

MR. BARKER: Your Honor, correction. That was Reed Maxwell for the record.

MR. WINDER: This is one of the reasons he has corrected after reading his notes?

THE WITNESS: That is correct. May I explain, your Honor? There are three places in this record where I've written "Reed Maxwell" instead of Reed Maxfield, and this is one of them.

THE COURT: Now, what is it supposed to be, according to your notes?

THE WITNESS: Maxfield.

THE COURT: All right.

THE WITNESS: I repeat the question, then--or, the answer:

I took my orders from Reed Maxfield, but his brother--was it Leland? No, it wasn't Leland. Well, he had a brother, as I understand, who was president or something of it. Now, as I say, Cliff and Guy can tell you this better than I could. I know this brother had something to do with Mid-America, but is was Reed Maxfield that told us what to do and when to do it. His brother had an

office--

Question: Did you tell them that you would see that an amendment was filed to the broker dealer form of Mid-America Securities Company?

Answer: No, I had nothing to do with that at all.

Question: Why did Mid-America Securities Company have to stop selling the stock of the Uinta National Insurance Company?

Answer: Reed Maxfield told me that because his brother was in there, there may be a question, and he wanted me to set up an individual company of my own. That was as much as I understood about it.

Question: What stock was sold by Mid-America Securities Company?

Answer: I don't know that. It was a primary issue, I know. It wasn't secondary stock.

Question: It was a first offering of the insurance company?

Answer: Yes.

Question: And it wasn't sold for any individual other than the company?

Answer: I think that receipt there--I am sure that was a primary stock.

MR. WEGGELAND: Let the record show that Mr. Christopher refers to an envelope and

an order form and a letter.

MR. WADE: May I see that when you're through?

MR. WEGGELAND: Which you will attach to the transcript as Commission's Exhibits Nos. 1, 2, and 3.

(Commission's Exhibits Nos. 1, 2, and 3 were marked for identification and received in evidence.)

Thereafter, Mr. Christopher, what participation did Home Investment have in the sale of the stock of the--

Answer: Home Investment came in, and I think they were to pay Mid-America--I'm not right sure on that, but I found a copy of an agreement, the first agreement that was made, in April of 1959. No, I thought this was it. But, anyway, the agreement had something in it about we had to pay so much a share to Home Investment. I was thinking that that was the one.

Question: Were you an officer of Home Investment Company?

Answer: No, I was not.

Question: Who were the officers of that company?

Answer: I don't know. It seems to me--

Question: Whom did you work for?

Answer: Reed Maxfield.

Question: Reed Maxfield was the person in charge?

Answer: Yes, Home Investment furnished us all of our printing, all of our mailing, which averaged a thousand or something a day. Stuff that went out to prospective buyers, and he furnished all of that, and I worked for him straight through.

Question: You weren't an officer of Home Investment Company?

Answer: No, I was not. I didn't have anything to do with it.

Question: Was your brother-in-law, Guy Walker, an officer?

Answer: No.

Question: The only person you had dealings with, then, was Reed Maxfield?

Answer: That is right.

Question: Did you participate in any negotiations between Home Investment Company and Uinta Finance Company or Uinta National Insurance Company relative to the obtaining of stock or the purchase of stock of Home Investment Company for resale?

Answer: No, I had nothing to do with that at all.

Question: Where did this stock come from

that Home Investment Company sold?

Answer: I don't know that.

Question: Did you ever ask?

Answer: I asked him, and he said it was secondary stock. I said: 'Where did the stock come from? Is it stock that has been turned back, or what?' And he said he had worked out - he said, 'Some of my personal friends'--I think he said some of his personal friends and some extra stock that they had sold in a lump. As I remember, that is the way he got it.

Question: In each of these participations in the sale of Uinta National Insurance Company stock, you were directed by Reed Maxfield?

Answer: That is right.

Question: And no other person?

Answer: Yes, sir, he is it. He is the one that says yes or no.

Question: In each of these you occupied the position of--

Answer: Sales manager.

Question: Sales manager?

Answer: Yes.

Question: Did you also supervise or keep track of the books and records?

Answer: No.

Question: Did you have supervisory rights over

the record keeping?

Answer: Up to a point, for the salesmen, for the amount of stock we sold, how much commission was paid to the salesmen, how much was paid in bonuses--that I took care of, yes. But all the rest of it went through the company.

Question: How, we're going to refer to the organization known as Western States Underwriters, Inc., how did that company come to be organized?

Answer: Reed Maxfield said he had this secondary stock, and he called me, and he said, 'I appreciate what you have done in the past,' and he said, 'I would like for you to have your own company now.' And he said, 'You can work this thing out through your own company.' I ran on to this notation. It doesn't make very good sense, but this was what I jotted down in his office. The amount we were to be allowed was 11 per cent option stock and that has got some other items there.

Question: This is a note that you took while you were being interviewed and were discussing this matter with Reed Maxfield?

Answer: That is right.

MR. WEGGELAND: Let the record show that this is written on the Mid-America Securities, Inc., of Utah stationery.

Answer: I notice the notation--

MR. WEGGELAND: It will be included with the transcript as Commission's Exhibit No. 4.

Answer: I notice that Home Insurance came in there. The stock was owned by Home Insurance--or Home Investment.

Question: Did you proceed to organize the company?

Answer: Yes, I did.

THE COURT: Pardon me. Now, is Exhibit 123 the exhibit referred to?

MR. WINDER: Yes, your Honor.

THE COURT: Well, Exhibit 123--

MR. WINDER: The Government will offer that.

THE COURT: It has been offered and received, within the limitations I've indicated; but I think the record should be clear, since there is reference to other things, that this is the only exhibit from the deposition or from the statement that is received.

MR. WINDER: Yes, Your Honor.

THE COURT: All right.

THE WITNESS: Question: And what office did you hold in that company?

Answer: I was going to be president and general manager; but because of an old, long-standing bankruptcy, I was not allowed to be my own broker. I told Reed I guessed I could not set up the company because I could not be a broker. And he said: 'Well, why don't you get your brother-in-law or somebody else to be broker for you?' So I asked my brother-in-law, Guy Walker, if he would be willing to undertake the broker's license, and he said yes. So he went in as the broker, and I still went in as general manager.

Question: You still had the preferred control over the company, is that correct?

Answer: That is right, yes.

Question: Now, in this company did you have supervisory power over the books and records and all facets of the company, or did you just direct the sales?

Answer: I directed sales. Well, I just said to Guy and Cliff, 'You take care of the records, because details irritate me.'

Question: Who was Cliff?

Answer: Cliff Pierce. He is a big fellow. I think he has been in here. He is a large fellow. He wrote my lessons for the men every week. Every week I had a lesson for them on

selling, and he did all of that work for me.

Question: Now, in your application to the State Securities Commission did you indicate Guy Walker as the president of the company?

Answer: Yes, that is right.

Question: And yourself as what?

Answer: As director.

Question: Not as an officer?

Answer: Just director and sales manager.

Question: As a matter of fact, you were the controlling person in that organization?

Answer: Yes, I was.

Question: Now, in the original application to the State Securities Commission, you indicated only $6,000 worth of capital; and $5,000 worth of this consisted of stock in the Uinta National Insurance Company?

Answer: There was $10,000, I think.

Question: In the original application, we are talking about.

Answer: O.K.

Question: Was that your personally held stock, or whose stock was that?

Answer: I don't remember. Now, I honestly don't remember that. I thought I'd just put in our office equipment and stuff like that, with the first one.

Question: Well, on the second one you included $10,000 worth of stock in the Uinta National Insurance Company?

Answer: Yes.

Question: Whose stock was that?

Answer: Well, it was Reed Maxfield's stock.

Question: Was it put in your name for any convenient purpose?

Answer: Yes, it was put in my name so that with our assets amounting to $10,000, we could open the company, because I had nothing tangible of my own that I would have open it with.

Question: Was this a gift to you by Mr. Maxfield?

Answer: It was understood that anytime he would ask for it back he should get it back.

Question: Has he asked for it back?

Answer: Well, the first one that was there, he asked for it back, and he put another one in its place. I remember that.

Then there's a question and answer deleted.

THE COURT: All right.

THE WITNESS: There wasn't $10,000 worth of assets?

Answer: For Western States?

Question: For Western States.

Answer: No, there wasn't.

Question: Did you participate in the sham to get your money--to get your company going?

Answer: He told me, he said: 'You can pay for this when you get your underwriting going, if you wish.'

Question: Was this stock put in a safety deposit box?

Answer: Yes.

Question: And it was unavailable to Western States Underwriters?

Answer: Unless I had Mr. Peterson, Leland Peterson, one of the directors of Uinta National Insurance Company hold the other key.

Question: Was he acting for Uinta Finance Company or for Uinta Insurance Company now?

Answer: I don't know. I honestly don't know. He held it like me, acting for Reed Maxfield, because the whole thing was one big program.

MR. WEGGELAND: Let's go off the record for a second.

And there was a discussion off the record.

THE WITNESS: MR. WEGGELAND: Back on the record. Now, where did Western States Underwriters propose to get this stock to sell?

Answer: I don't know. I asked him where it came from, and he said it was coming from secretary (sic) stock. I said: 'Where did it come from? Was it picked up from buyers, or what?' And he said no, that it was stock secured in an isolated one transaction. But I think it was Uinta Finance and Uinta Finance sold it to Home Investment. I said: 'Now, does that fulfill the law,' and he said, 'Yes, that is all it takes.' And he said, 'We will sell it to you.' Wait a minute. I am not sure now of that Home Investment. It was in there some place.

Question: At any rate, this was stock that was originally owned by Uinta Finance Company?

Answer: Uinta Finance, yes.

Question: Mr. Maxfield is president of Uinta Finance Company?

Answer: That is right.

Question: And he is also president of the insurance company?

Answer: Yes.

Question: Did he say this stock was part of any public offering, or was this part of another transaction, or a public offering?

Answer: He told me that it was various

stocks that he had accumulated, that he was getting rid of it--and it wasn't too clear.

Question: Now, I have a contract of purchase or agreement--it is entitled, "Contract of Purchase," and it states it was entered into on the 6th day of March between Uinta Finance Company and Western States Underwriters, Inc. Will you examine that and see if that is familiar to you?

Answer: Yes.

Question: And that was an agreement?

Answer: Yes, there were a number of agreements made up, one after another.

Question: This calls for the sale of 30,000 units for a consideration of $3,810. Where those 30,000 units of Uinta National Insurance Company stocks sold?

Answer: Yes, they must have been, because we have paid them, I think, in the neighborhood of $80,000 or something like that.

MR. WEGGELAND: We will incorporate this in the record as Exhibit No. 5.

Commission Exhibit No. 5 was marked for identification and received in evidence.

Question: Mr. Christopher, you provided another agreement entitled, 'Contract of Purchase,' which bears date of 3rd of April, 1959. From

this it appears that Uinta owns 107,687 units, or 2,692 and 7/40 shares of Uinta National Insurance Company stock, and the agreement involves $114,750 to be paid by Western States Underwriters, Inc. Was this agreement entered into?

Answer: As near as I know, it was. I don't know if it was just a copy of some of those other agreements there or not. It was made up.

MR. WEGGELAND: Do you want to look at this exhibit, Norman?

MR. WADE: Thank you.

MR. WEGGELAND: We will refer to that as Exhibit No. 6 and incorporate it with the transcript.

Commission Exhibit No. 6 was marked for identification and received in evidence.

MR. WEGGELAND: This document is entitled 'Option,' and it bears no date. But it is signed by Reed Maxfield, and it appears to grant or warrant the right to purchase 19,960 units of Class A and 40 units of Class B stock of Uinta National Insurance Company, or appears to be. Is that document familiar to you?

Answer: Yes. I don't know where it fits

in, though.

Question: Was that stock sold?

Answer: I imagine it was.

THE COURT: Now, Mr. James, I think we'll take a fifteen minute recess. Thank you.

(Recess.)

THE COURT: Please proceed, Mr. James.

MR. WEGGELAND: Call that Exhibit No. 7.

Commission Exhibit No. 7 was marked for identification and received in evidence.

MR. WEGGELAND: This is a document entitled 'Agreement' and it appears to be dated the 6th day of March, 1959. Is this document familiar to you?

Answer: Yes, that is the one I was thinking about.

MR. WADE: Is this the same date as another agreement we have already put in?

MR. WEGGELAND: No.

MR. WADE: I thought about the 6th of March, 1959, there was one that we showed you? No, that was April.

MR. WEGGELAND: Do you want to check them through?

MR. WADE: Yes.

MR. WEGGELAND: Question: That appears to be an agreement whereby Western States Underwriters will pay $5.40, I believe, to the Home Investment Company. What was the consideration that Home Investment Company was to return to Western States Underwriters, Inc., for that?

Answer: Well, that was--

Question: Excuse me. Correct that. It was $5.40 a share sold, for each share sold by Western States.

Answer: He gave me an explanation of that, Mr. Weggeland, that I cannot for the soul of me remember. It seems I asked why, and what that was for, and he said it could be run through a company, and we would consider that as a service for information and knowledge--underwriters background and so forth, you know--to help Western States in the brokerage end of it. As I remember--

Question: Who was to receive this money?

Answer: Well, the Home Investment, I think. That was Reed's brother again. Oh, I am not sure. It was either his brother or his sister.

Question: Was this money paid on the sale

of the stock?

Answer: I don't know whether a check was made out or not. I don't know that.

Question: Was this in the nature of a kick-back to Reed Maxfield and his brother?

Answer: That was my understanding.

MR. WADE: Excuse me, Gail. We find that Exhibits 5-A and 5-B have the same date, and both of them refer to 30,000 units. I am wondering if those are the same stock or different stocks?

MR. WEGGELAND: Yes.

MR. WADE: They are the same.

MR. WEGGELAND: Did Reed Maxfield own any stock or any participation in Western States Underwriters, Inc.?

Answer: No.

Question: Did he retain any control, management, or direction of the affairs of Western States Underwriters?

Answer: It wasn't supposed that he had; it was supposed to have been my company, and I operated it the way I did. But the first thing I knew, as soon as we started selling stock, every morning he would call me and want a report as to how many shares were sold and how much money

was paid down on it, and the salesmen who had sold it. And then it wasn't moving fast enough. I had, oh, just a small crew of maybe 15 or 20 men, and we needed to make it move faster, because I could see it wasn't moving out rapidly enough to even come close to making any money for me. And I ran an ad, and I never asked him if I could, because I thought it was my own company. I ran an ad in the Tribune trying to get men. And he saw it, and he called up and told me to cut it out. He said, "I want that shut off, because I might be involved,' because in the ad I mentioned something about selling insurance stock, and he said, 'That might cause me some trouble.' And he said, 'Don't put out any more ads.'

Question: Did you withdraw that ad then?

Answer: I withdrew it, yes. I had to kind of doubt what he said, for the simple reason that he had said I was overdrawn over $15,000 on Uinta Finance Company of Arizona, which I had gone down there and opened up, and on Nevada Broadcasting Fund, or something, or Nevada Broadcasting Enterprises.

Question: Were you indebted to Mr. Maxfield?

Answer: He said I was. I said: 'How

could I be indebted? Because just before I opened up Western States you said I was getting by fine, and you said you wanted to bank some of my money for me.' And I said, 'No, I want to bank my own money.' And then all of a sudden he comes up with a bill of $15,000.

Question: Therefore, he had quite a bit of leverage over your activity; is that right?

Answer: Yes. Because he said he would--it would be a little uncomfortable if I didn't follow through.

Question: Did he ever speak to you or discuss with you this plan of organizing the Western States as a system to evade the effect of the Securities Act in the sale of stock?

Answer: No, he never told me that. I asked at the beginning if everything was as it should be, and he said: 'Well, our attorney has drawn it up,' and he said: 'He would not draw up anything if it wasn't.' This was--I think it was Bob Hughes, or this fellow over on Fourth in the building on Cactus Street,--one of the two, I think it was Bob Hughes. And he had drawn up the Western States papers, and he said it would be all right.

Question: In the operation of Western States Underwriters, did Mr. Maxfield or any other per-

son ever actively interfere with the management of that company?

Answer: Well, he did in that case of making me supply the sales information and demanding daily reports from me.

Question: Did he ever make any threats upon you when you intended to refer some of the activities of that company to the Securities and Exchange Commission?

Answer: Well, at the time we were running behind and had used funds there for salaries and for rent; and I was trying to get other underwritings, because he had not followed through on the promise he had made that he would have other underwritings immediately that would cover this loss. So I went to him and said: 'I am in close to $10,000, and I would like to give you a note for it and give you any collateral I have got.' And he said: 'No, I could not take that. I would not take a note from you. I want you to meet this thing.' And I said: 'Well, I will just go in farther and farther.'

And then at another time Paul Kenner, who is an accountant, he said: 'I would like to buy Western States Underwriters from you.' He said: 'I will go out on the open market and buy

up the stock, and I will see that everybody you have sold stock to will be paid, will be given the stock,' and he said: 'I will make myself a nice piece of money out of this. He said: 'How much do you want?' And he named some very nice figures. And I said: 'All I want is to get out from under this thing and get it off my shoulders. I said, 'You can have Western States Underwriters.' And this is what I ran into Saturday (producing document) but right at the last minute under pressure he backed out. So I told Reed Maxfield--I think seven or eight times we had come to agreement where we were going to get securities or something that would take care of this stock, and each time would take care of this stock, and each time it would be a cat and mouse deal--an attorney is drawing up the papers--and then he would not sign them. And then he told me, he said: 'I'm going to have the state come down and check your records.' I said, 'All right, go ahead.' So Mr. Hardy called, and he said: 'We understand you have got an overdraft down there and they are going to check the records.'

So before they came down I called Reed, and I said: 'Well, look, if we're going to do it this way, I have tried to get out of this, I have tried

to make an arrangement to get out of this, and I'm going to the SEC.' And he said: 'Now just a minute. Don't get rash on this thing. I can take care of it all. They won't come down and investigate. Let's talk this over.' Well, there was no investigation by the state after that.

So he told me he was going to make an agreement, and he said, 'How much do you think you owe?' And I said: 'The most I could owe you, instead of $15,000, would be the $4,000 that you advanced on the dud I went on to Nevada.'

Question: When is the date this conversation took place?

Answer: I don't know.

Question: Was the date, say, September?

Answer: It was during the fall. That I know.

Question: August or September of 1959?

Answer: In 1959. I said: 'You advanced me $1,000 a week while I was in Nevada, but that all went out on expenses.' And I said, 'That was a rotten deal down there.' And he [redacted] 'If you will sign a note, let's just say [redacted],000--I say $4,000 and you say $15,000--if

you'll sign a note--' He would not let me sign a note before and take it over. He said: 'I will see if I can make some kind of arrangement for this stock.' So I personally signed a note without any collateral or anything, and then he would not go through with his agreement. Now he holds a note on me upon demand for $9,000. It is just his word that he won't press it until next spring.

Question: In the operation of Western States, how did your customers get stock issued to them?

Answer: Do you mean after they had paid in full?

Question: After they had paid their money in full.

Answer: It was mailed to them.

Question: How did Western States go about getting the stock to mail to them?

Answer: We would take a check down to Uinta National--we took it down to Reed Maxfield--I don't know which one--Guy and Cliff can clear that up--but we took a check down to him with the names of the people who had bought stock and paid for it in full and the number of shares or units that each of them had paid for; and then a stock certificate was made to each of them and sent back up and was mailed out.

Question: Those are made under the direction of the insurance company; is that right? Or how was that arranged between the finance company and the insurance company?

Answer: I don't know. I honestly don't know. Guy and Cliff took care of all that. They could tell you.

Question: Who kept track of the amount of shares that were sold?

Answer: Cliff did.

Question: Mr. Pierce?

Answer: Mr. Pierce, yes.

Question: Did the insurance company or the finance company keep track of the amount of stock sold?

Answer: We had to send them a report every day of the amount of stock sold, yes.

Question: What certificates was the stock transferred from?

Answer: I don't know.

Question: Was that the certificate of 100,000 referred to in the agreement attached hereto as an exhibit?

Answer: I don't know, because we had changed that several times. There was, as I remember, a smaller block of stock, and that

was taken out, and another put in, it seems to me two or three times. This is the last one that was put in, and I don't know whether it was drawn on or how it was worked. I don't know that.

Question: Did you have to pay for the stock before you could have it issued to your customers?

Answer: Yes.

Question: In every instance?

Answer: Yes.

Question: How, then, did you become overdrawn in your account?

Answer: Because the amount of commission which we wrote out, I had told him before we could not make a go of it, it was very small. You understand, when you have a crew of men of any size at all, on the stock rate as the primary underwriter you have to go to have a million shares to make it pay. Well, this was a very, very small issue. There wasn't enough commission to pay the expenses. And so out of the actual commission that we had, it would not even touch the operating costs. So we had to use the funds that were there, knowing that there would be other underwritings following. But when they didn't come, I tried a burglar alarm system to put the men on, and it flopped. And the same with Ogden Smelting and

Refining Company. Everything I put my hand to turned backwards on me.

Question: I believe you said you paid for each share of stock that was issued by the insurance company?

Answer: Oh, yes.

Question: By the insurance company?

Answer: Yes.

Question: You paid the money to the finance company?

Answer: That is right.

Question: How was that payment made?

Answer: On our Western States Underwriters check.

Question: How was the price determined in the sale of this stock?

Answer: Reed Maxfield determined it.

Question: He decided it at $1.35 a share?

Answer: That is right. We originally started at $1.75. Some of the first went at $1.75.

Question: Some stock sold at $1.75?

Answer: Yes. And then he figured it was a little bit too high.

Question: Was this offering registered with the Utah State Securities Commission?

Answer: He said it wouldn't have to be, be-

cause it was secondary stock.

Question: Were those people who paid $1.75 informed that stock was also being sold at $1.35 to people at the same time?

Answer: Well, I think, as I remember, they were given additional stock to make the difference between $1.35 and $1.75. There was some additional stock given. At least, that is what I had instructed for it to be done. As I remember, that is the way it operated, because I told them we would run into trouble.

Question: What was the commission received by the underwriter for the sale of the stock?

Answer: I am not sure, but I think it was 13 per cent. I think it was.

Question: And how much commission was paid to the salesmen?

Answer: As near as I can remember it was 10 per cent, and if they stayed through to the finish of the underwriting an additional one per cent. Now, I think that was it. I don't say I am right, but I think I am.

Question: Were salesmen given stock options?

Answer: Yes, they were supposed to. I don't think any of them have received it.

Question: Who promised them the stock option?

Answer: Reed Maxfield. In fact, he has promised me verbally because of the sale of stock for Uinta Finance and Uinta National Insurance that he would give me an option on 50,000 shares of Uinta National Insurance stock with three years to pay for it. But I have never had it.

Question: How did Mr. Maxfield explain the reason for pricing the stock at 35 cents more and in some cases 75 cents more than the recently completed public offering, which was made at $1?

Answer: Well, he said that because credit life, which they were selling at the time, was moving rapidly and they had a lot of insurance sales, that they figured the stock was worth more at that time.

Question: How many dollars of life insurance did he tell you or did he tell the insurance salesmen had been issued by the Uinta National Company?

Answer: Honestly, I would not try to say. It was a big amount.

Question: Did he ever say that over $3 million of life insurance was in force?

Answer: Yes.

Question: Although the company had been

in operation for something less than a year?

Answer: Yes. He said it was phenomenal. I remember he said it was outstanding, better than any other company in the state.

Question: Was this later determined to be false, this information?

Answer: I don't know. I don't know.

Question: Was this information conveyed to the salesmen personally by Mr. Maxfield, or did you tell them that?

Answer: I don't know. Now, honestly, I can remember something about it. It could have been that I related it to them, second from him. Now, I don't know. I would not say.

Question: Did you use some sales kits? Did the salesmen use the same sales kits that they had used in the public offering of Uinta National?

Answer: No. We used no kits at all.

Question: Did they use a prospectus?

Answer: No, they didn't use a prospectus. They weren't allowed to use that, I remember.

Question: What sales literature was used?

Answer: Let's see. There was--Uinta sent out letters.

Question: Uinta what? Finance company or insurance company?

Answer: I don't know. The thing is, they had

their own printing press down there, and they printed everything. And on their mailing they had their own mailing machines, stamping machines, and everything. They took care of all of it. Reed Maxfield. And we let it go that way. I don't know if the Uinta Finance or Uinta National did the mailing. I don't know.

But they sent thousands of letters out daily to the public telling them about their proposition. And they wanted to send out--then they sent out a folded card to return for a salesman to come and tell them more about it. And then they sent a little stock certificate that entitled them to buy so much stock or something.

Question: Was this so-called certificate which you just mentioned, was this printed and entitled 'Stock Right Certificate'?

Answer: Something. There was a little gold seal down in the corner of it. Now, I don't believe that was mailed. As I remember, the salesmen took that personally.

Question: To what persons?

Answer: To the ones who had previously bought stock. They were entitled, because of their having bought stock before. Now, that is as it was coming back to me, that because they had bought stock before, they were entitled to

have another 200 shares or something.

Question: Was that stockholders of the insurance or the finance company?

Answer: Of the finance company.

Question: Of the finance company?

Answer: Yes, of the finance company.

Question: As a matter of fact, the stock could have been sold to anyone?

Answer: Oh, yes.

Question: This so-called stock right certificate then was just a sham to make these stockholders think that they were being given some preferred treatment in the offer?

Answer: I considered it a sales gimmick.

Question: However, it was used to make these stockholders feel that they had a preferential right?

Answer: Yes.

Question: Did you participate in that little fraud or encourage that fraud, Mr. Christopher?

Answer: Yes, I issued those out. They were printed and given to me. I didn't do their--

Question: Whose idea was this? Was it yours or Mr. Maxfield's?

Answer: No. It was Reed's. It sounds a lot worse now than it did then. It sounded like a good idea then for sales. In fact, it was the same thing

that we use in selling books. It is the same thing we had.

Question: Is there a difference between selling books and selling stock?

Answer: Yes, I guess there is.

MR. WADE: Actually, if there was any fraud, it was simply to indicate that they were preferred over other people. They were entitled to do everything the certificate told them they could get. The indication was then that the general public didn't have this right, but they did have the right. Isn't that correct?

Answer: Well, they were offered the first opportunity, yes. It was put out that way. If it is accepted, why, they sign the slip; and then it was next that the general public would have a chance. They were the first ones, I will say, that were contacted.

MR. WEGGELAND: What would you do--you went back to the older customers?

Answer: Yes.

Question: And reloaded them?

Answer: Right.

Question: Wasn't the stock sold by the salesmen on an arrangement whereby if they were still paying for a previous subscription

of insurance company stock--

Answer: It could be by payments.

Question: That one payment could be made to you and the insurance company and the other to Western States Underwriters? Was this done with the consent of the management of Uinta Insurance Company?

Answer: Well, it was their idea.

Question: Now, a great many of your customers made payments either directly to the insurance company or made payments to the finance company?

Answer: Yes.

Question: Why do you suppose that happened?

Answer: I don't know. I honestly don't know why. But there were a lot of them that did.

Question: Wasn't that because the salesmen informed these people that the offering was an offering made by the insurance company?

Answer: No. No. That was one thing. The salesmen, when those salesmen went out the were instructed by myself personally--I remember that--that they were to absolutely give them to understand that it was secondary stock.

Question: But didn't this lead you to wonder when the payments came in to the insurance company rather than to the underwriter?

Answer: I never thought about that. I was irritated.

Question: How did Western States Underwriters get the funds that were paid to the insurance company and the finance company?

Answer: The insurance company, as I remember, generally made a deposit out with a deposit slip and deposit to our account at the Valley State Bank, and then sent us a copy of the deposit slip. Now, Mr. Pierce and Guy Walker can tell you more on that end, because I have never personally handled any of that detail work.

Question: How did you obtain the stockholders list?

Answer: From the Uinta National Insurance and Uinta Finance Company.

Question: Both of them?

Answer: Yes, in fact, I still have a few of the cards left that I have not thrown out.

Question: When a sale was made to a customer, was a confirmation letter mailed to the customer?

Answer: It seems to me there was a letter, a follow-up letter, telling them that we had--you will have to ask the boys. I am pretty sure there was a letter sent from Western

States thanking them.

Question: When did it first appear, Mr. Christopher, that Western States Underwriters was insolvent?

Answer: Well, it was before this date here (indicating). I know that.

Question: Before October 31, 1959?

Answer: Yes, it was before that. Because we tried to get--I tried to get Reed Maxfield to take my note and take the whole deal over.

Question: It was apparent then that Western States would be unable to deliver the stock which was being paid for by customers?

Answer: No, I won't say that, because I still felt that I would get an underwriting which would pay back enough that I could pay for that stock. The one in Idaho, the Farm Securities Coop, or the Farm Coop, or whatever it was called, it looked like one which just couldn't miss, and I would have made enough to have paid this off a number of times over.

Question: But at least for the present it was apparent that the underwriting company was insolvent and it would be unable to deliver all of the stock which it had contracted to deliver?

Answer: Well, we were still getting enough money in and still delivering the stock, even until,

as I remember, even after the first of the year--I don't remember just when. And I just knew that we would have enough that I could take care of the rest of it when it came due.

Question: You were paying for the delivery of the earlier subscribers' stock with the payments made by persons who subscribed later or were paying later?

Answer: Were paying later, that is right.

Question: So that your net situation became gradually darker, rather than gradually improving?

Answer: That is right. It went from ten to fifteen thousand.

Question: What was done to tell the persons who were paying on the stock that Western States Underwriters was insolvent and that the stock might not be delivered?

Answer: Well, we had--I don't remember how that went, whether it was at that time we got the attorney up there on Fourth South close to Fifth East--what is his name? He owns that Executive Office Building up there--

Question: Clyde?

Answer: No. It starts with a W--Wilkinson. Harold Wilkinson. At this time we were trying to make negotiations all of the time with

Uinta or with Reed, and we would get the papers drawn up, and I would say, 'We will come in and sign them.' Well, Mr. Wilkinson would send a letter out to the stockholders and say: 'We are trying to get this thing straightened out, so we can get your stock.' And then Reed would say, 'I have changed my mind, I am not going to sign it.' As I can remember, there was seven or eight times we got the papers drawn up and he was going to release his signature or put a mind down to California, and I had him talk personally to Allan Weeder in New York.

Question: We will go into these negotiations later.

Answer: Oh, all right. Pardon me.

Question: Was the money earmarked that came in on payments for delivery to certain persons or have the stock delivered to that person?

Answer: It was all put into the bank account.

Question: It wasn't earmarked?

Answer: No.

Question: I think in some cases letters were sent to accounts which were delinquent, which offered them a refund less 15 per cent?

Answer: Yes.

Question: Did they go out to all delinquent accounts?

Answer: As they became delinquent accounts, for a while it went to all of them.

Question: Was any money ever paid to persons?

Answer: Oh, yes.

Question: On what contractual relation did you feel that you had a right to offer people their money back less 15 per cent?

MR. WADE: I would like to interrupt there. Was this just an offer to those people that they could either accept or not accept?

Answer: Yes.

MR. WEGGELAND: Let's go off the record here.

(Discussion off the record.)

MR. WEGGELAND: Going back on the record now. Was money paid on these offers of refund in every case where the people requested a refund?

Answer: Yes, as far as I know there wasn't one that was ever rejected, as long as we had the money to pay.

Question: Now, it appears, Mr. Christopher, that on these so-called delinquent accounts there has been received $28,701.54, and there was owing to Western States Underwriters

$46,041.96. Does Western States Underwriters have $28,701.54?

Answer: We haven't got anything.

Question: If $46,000 were paid up, could you come up with about $75,000 worth of stock to deliver to these people?

Answer: Well, it depends on whether they will do as they have said before that they would do--accept my notes or anything I have got as collateral and give me the stock, yes. Is that figure about seventy-five--how much?

Question: $75,000.

Answer: $75,000.

Question: Were these customers told that they had a full year to pay for their stock before any forfeiture would be taken, or that they had a full year before they had to pay for their stock?

Answer: I think it was written right in the contract that they had to pay so much down and so much a month.

Question: Besides this, were you ever informed that salesmen had made this agreement with customers?

Answer: Yes, that was the agreement, that they had a year; or in those cases where there were alternate payments with the stock they originally bought, that it would go over a year.

MR. WADE: I would like this to keep the record straight, because I don't understand it, and I don't think anyone reading the record would. Does that mean they have a year in addition to the written terms of the contract?

Answer: No.

Question: To the regular terms we are adding one year?

Answer: The written terms? Is that what you mean?

MR. WEGGELAND: Were you ever told by a customer either personally or by letter that salesmen had represented that other than the terms and conditions of the contract, that they had a full year more to pay for the stock?

Answer: In addition to the--

Question: To pay for the stock, period, beyond the terms the contract provided?

Answer: I don't know. Now, I don't know.

Question: That has never come to your attention?

Answer: If it did, I don't remember. I don't. Now, of course, Mr. Pierce answered all of the letters. Now, he would know. If you will ask them, he will know that.

Question: It appears, Mr. Christopher, that some amounts were immediately refunded

or refunded other than on a refund letter as referred to previously. What were the circumstances that would occasion these refunds?

Answer: I don't know, unless it was sympathy or something. I don't know. Ask Mr. Pierce, because I told them that they should handle that in the way that they saw fit, because they were right at the pulse of it all the time, whereas I was out all of the time trying to line up additional underwritings.

Question: As concerning those accounts that were actually paid up and on which stock remains undelivered, do you know how much stock remains, in retail value, what Western Underwriters will have to purchase for delinquents?

Answer: Wasn't that $75,000--didn't that cover all of the stock?

Question: Not according to our calculations. It appears from our calculations that $54,810 retail price has been paid in to Western States Underwriters in accounts in which stock has not been delivered,

Answer: Besides the $75,000?

Question: That is correct.

Answer: Oh, it could not be. That would be around $125,000. No.

Question: At least, that is the information we

obtained from the examination of your records.

Answer: Check that up with Mr. Pierce.

Question: Does Western States Underwriters have $54,810?

MR. WADE: Mr. Weggeland, I have not seen the records, of course, but where does this forty-six from twenty-one some odd thousand you mentioned before, what relationship does that have to the $54,000 you are mentioning now and to the $75,000 that you mentioned before? I would like to have that clear in the record.

MR. WEGGELAND: Some accounts are delinquent. This agreement says that we had some accounts here on which stock will be delivered, and some accounts are owing to Western States.

MR. WADE: How much is that?

MR. WEGGELAND: There is $64,041.96 to be paid to Western States on these accounts--

MR. BARKER: May we check that figure? It says forty-six thousand in the record.

THE COURT: You read sixty-four.

THE WITNESS: The answer is:

MR. WEGGELAND: There is $46,041.96 to be paid to Western States in these accounts, and $28,701.54 has been paid.

Answer: Oh, I was adding those two together.

MR. WADE: Oh, I see. That has been paid on these delinquent or other accounts?

MR. WEGGELAND: In this series of accounts.

MR. WADE: So that if this money were paid, the total stock to be delivered on those delinquent accounts would be the total of those two?

MR. WEGGELAND: That would be the retail price.

MR. WADE: What does that total up?

MR. WEGGELAND: I don't have it. It is about $75,000.

MR. WADE: And that is the approximately $75,000 you are talking here about; is that correct?

MR. WEGGELAND: Yes. Some accounts have been fully paid, and there is a present duty, according to the terms of the purchase contract, to deliver the stock

MR. WADE: That is $54,000?

MR. WEGGELAND: At retail.

MR. WADE: And this is fully paid and not delivered, is that correct?

MR. WEGGELAND: At least according to the information that Mr. Smith has obtained.

MR. WADE: How much worth of stock has been delivered that has been fully paid?

MR. WEGGELAND: We don't want to discuss that right now.

MR. WADE: I just wanted to know whether any of that was included in this $54,000 for the record.

MR. WEGGELAND: No.

MR. WADE: I just wanted the record clear.

Answer: That would be a little over eighty thousand that are not delinquent.

Question: Mr. Christopher, we will not talk about the books and records of Western States Underwriters. It appears that from March 1959 to May 1960 you were personally paid about $15,801.37.

Answer: It could be.

Question: And your wife Della was paid $7,701.30.

Answer: That would be both of us together. That is the way it is. When she was paid, it was because I was out of town.

Question: As I understand it, there were checks in those amounts made to either you or Mrs. Christopher?

Answer: It could be.

Question: So that amounts in excess of $23,000 were paid?

Answer: That's right.

Question: Was this considered reasonable payment for your services?

Answer: Well, just for my services? I think when you go through the checks you will find the very biggest part of that was for expenses. We live very modestly.

Question: Were you paying the expenses of Western States Underwriters out of your personal income?

Answer: I was paying the travel expenses while I was out trying to rake up underwritings, and where I was out trying to make money, yes.

Question: It also appears that $4,485 was paid during this period of time in travel expenses by Western States Underwriters?

Answer: Yes. It could be more than that.

Question: It appears that you traveled quite frequently?

Answer: I traveled a lot, and I paid for other men traveling on some of the business deals that I was trying to promote.

Question: Now, Western States Underwriters was then attempting to secure underwritings or brokerage work outside of the state of Utah?

Answer: That is right.

Question: And was Western States Underwriters a registered broker dealer?

Answer: Well, now the ones outside of the state, when I went down to Nevada--

Question: Just answer my question.

MR. WADE: I direct you to answer fully, not 'yes' or 'no' but answer fully for the record. I want the record to be complete.

Answer: When I went down to Nevada I was working as a sales manager for an underwriting in our name. When I went to Idaho it was the Farm Coop, which does not come under any jurisdiction of any securities commission, state or federal, because of being a coop. And on the other deals when I was in Central America it was on gold sales to Switzerland, which I now have the commissions coming to me on for $150,000 that are due me now. That was to get money to pay back these stock deficiencies.

Question: Did you sell stock in Nevada?

Answer: Yes.

Question: Did Western States Underwriters sell stock in Nevada?

Answer: No.

Question: Did the salesmen of Western States Underwriters sell stock in Nevada?

Answer: No. As I remember, that was Nevada Enterprises.

Question: But it was the salesman?

Answer: It was the same salesman.

Question: It was you?

Answer: It was me, yes.

Question: And it was the same situation in Idaho, is that correct?

Answer: Well, in Idaho I was--

Question: It was the same salesman, and it was you?

Answer: Well, I guess so.

Question: And the same situation in Arizona?

MR. WADE: I would like for the record--you say in Idaho and Arizona. What company did he sell stock for?

Question: What company were you selling stock for in Arizona?

Answer: In Arizona it was Uinta Finance of Arizona. I was sales manager for them.

Question: Reed Maxfield was president of that company?

Answer: Yes. He was one of the officers.

Question: Nevada Broadcasters, Inc.?

Answer: Yes.

Question: Of Nevada. Was Mr. Maxfield associated with it?

Answer: Yes, and so was Mr. Hulbert.

Question: Was Mr. Bob Hughes associated with it?

Answer: Yes.

Question: And Mr. Hulbert, the recent Insurance Commissioner?

Answer: Yes.

Question: And several other persons?

Answer: Yes.

Question: It also appears that there was travel in California. What were you in California for?

Answer: That was on this gold deal sold to Switzerland.

Question: Explain that.

Answer: There was gold for sale in various states throughout Mexico and Central America. You buy that gold, and there is an override on it. We have a buyer that buys it in Switzerland. We sold from Mexico two million ounces of gold to the Swiss Government, and my share of the commission was $150,000. And that has been held up. Mr. Weeder, the man who owes it to me, talked to Reed Maxfield and Bob Hughes

and myself on a conference line and guaranteed that I had that coming and that we even had--that the buyer and seller were under $300,000 bond each to assure the sale of it being consummated and that I would be paid from the bondsmen if I wasn't paid from the sale itself. So I was bound to get it, and they were going to release the stock at that time.

Question: Were you acting in this capacity as an officer of Western States Underwriters?

Answer: Yes, yes, I was.

Question: Your expenses were paid by Western States Underwriters?

Answer: Yes.

Question: Now, there is also travel in Oregon. Was that in connection with underwriting?

Answer: That was it. I was hunting--no, not underwritings. That was on the gold also.

Question: It appears that car expenses on a Jaguar automobile were paid by Western States Underwriters?

Answer: That was the automobile that I operated in myself. That was my own car.

Question: Do you drive a Jaguar automobile?

Answer: Not any more. It was an old one that I had, and I sold that before I went to Panama.

THE COURT: Thank you sir. What page are

you on?

THE WITNESS: 48, sir.

THE COURT: Would you like to have a brief break now? Let's take a ten-minute recess, folks.

(Recess)

THE COURT: Proceed, sir.

THE WITNESS: There is also a travel or credit card payment in a considerable amount made by Western States Underwriters.

Answer: American Express Company.

That was for this travel. Any traveling that I did, Mr. Weggeland, was to try to sell something or promote something to make some money to pay and get these people their stock back. That is what it was for.

Question: I have a pair of agreements which we will incorporate in the record as Exhibits 8 and 9. It appears to be the purchase by you of an interest in mining properties in California from Pioneer Investments, and another which appears to be an agreement relating to the proposed sale of those same properties to Uinta Finance Company.

Answer: It wasn't to be a sale. It was to be put up as collateral security.

Question: That is right. It was to be put up as security?

Answer: Yes.

Question: Did Uinta Finance Company ever proceed on that second agreement?

Answer: No. They said, 'You get the papers made up,' and then they would O.K. them, and they were to sign them, and then I was to sign them.

Question: Did you ever carry these properties in your own name?

Answer: No. They were in the name of Pioneer.

Question: Why was that?

Answer: Because he had done the negotiating, and he had already purchased them, and then I came in as a partner back in about--I don't know--in '58, I think, or '57 is when we first started. I guess it was. But it was just nip and tuck trying to hold the thing together. But he would not take that as security for it, and we had geological reports from men who are responsible.

Then there are some deletions.

Question: Did you continue payments after it became apparent that Western States Underwriters was insolvent?

Answer: Yes, to keep going, to keep operating, to try and get some additional business or

something to pay back.

Question: How closely did you supervise the salesmen who sold the stock?

Answer: Just as closely as I could. I gave them--we had salesmen's meetings once a week, and I gave them instructions, and we always had a sales lesson prepared; and they had to report in to whom they had sold the stock, and how much, and how much down.

Question: Did you maintain any supervision over the representations that they made?

Answer: We told them what to tell, yes.

Question: Did you ever check on any of the customers to see if they were telling the truth?

Answer: No. Yes.

Question: They weren't selling with any literature?

Answer: I did on one man. One man came in, and he was very, very angry, and he said that one of the salesmen had come in and told him, he said, 'You better get some of this stock, because your brother bought a big block of it.' And he said, 'If my brother has bought it, I will get it.' So the next day after he bought, he called his brother, and his brother had never bought. So I called this salesman in, and I said, 'Let's get this thing straight.' And he said, 'He

got it all mixed up.' And I said, 'If I get one more complaint, you are through.' That is one case that I do remember.

MR. WEGGELAND: Do you have any questions that you would like to propound, Mr. Wade?

MR. WADE: No, sir.

MR. WEGGELAND: I want to thank you for coming in, Mr. Christopher, and Mr. Wade.

Let the record show that this examination is concluded at 11:30 a.m.

Whereupon, at the hour of 11:30 o'clock a.m. on Tuesday, September 27, 1960, the examination of the above-named witness was concluded.

Shall I read the certificate, your Honor?

THE COURT: I don't believe so, unless counsel wishes.

MR. WINDER: The Government does not desire it.

MR. BARKER: We do not desire it.

THE WITNESS: That concludes it.

THE COURT: Very well, and thank you, Mr. James.

MR. WINDER: Thank you.

THE WITNESS: Am I excused?

THE COURT: Yes, you are.

(Witness excused)